

Why GAO Did This Study

The United States maintains dozens of economic sanctions programs to counteract activities that threaten U.S. national interests. There are currently 20 country-based or country-related sanctions programs, according to lists of sanctions programs published by Treasury and State (see map). Additional countries may also be affected by sanctions programs that target entities regardless of their geographic location, such as counter-narcotics sanctions. Treasury, State, and Commerce, among other agencies, coordinate to implement these programs. Sanctions may place restrictions on a country's entire economy, targeted sectors of the economy, or individuals or corporate entities. Reasons for sanctions range widely, including support for terrorism, narcotics trafficking, weapons proliferation, and human rights abuses. Economic restrictions can include, for example, denying a designated entity access to the U.S. financial system, freezing an entity's assets under U.S. jurisdiction, or prohibiting the export of restricted items.

GAO was asked to review issues related to the implementation and effectiveness of economic sanctions. Among other things, this report (1) examines the extent to which U.S. agencies assess the effectiveness of sanctions, and (2) identifies factors that have been shown by publicly available studies to contribute to the effectiveness of economic sanctions. GAO reviewed documents and interviewed officials at Treasury, State, and Commerce and in the U.S. Intelligence Community. GAO also reviewed academic studies that used rigorous statistical methods to analyze the impact and effectiveness of economic sanctions across many sanctions programs.

View [GAO-20-145](#). For more information, contact Kimberly Gianopoulos at (202) 512-8612 or GianopoulosK@gao.gov.

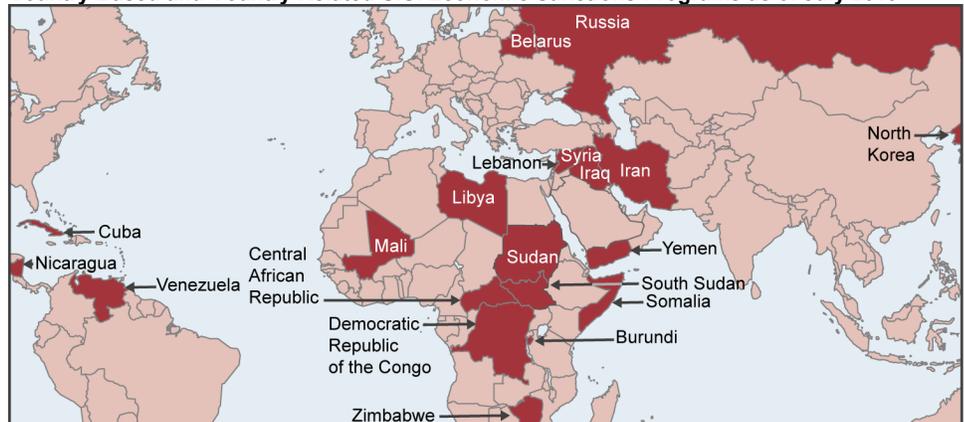
ECONOMIC SANCTIONS

Agencies Assess Impacts on Targets, and Studies Suggest Several Factors Contribute to Sanctions' Effectiveness

What GAO Found

The Departments of the Treasury (Treasury), State (State), and Commerce (Commerce) each undertake efforts to assess the impacts of specific sanctions on the targets of those sanctions. For example, Treasury and State both analyze or compile information on sanctions programs' impacts, such as on a target country's economy. In addition, Commerce assesses prospective impacts of some sanctions on targeted countries and others. According to Treasury and State officials, the agencies also use Intelligence Community assessments to gauge sanctions' impacts. However, agency officials cited several difficulties in assessing sanctions' effectiveness in meeting broader U.S. policy goals, including challenges in isolating the effect of sanctions from other factors as well as evolving foreign policy goals. According to Treasury, State, and Commerce officials, their agencies have not conducted such assessments on their own. However, they stated that agency assessments of sanctions' impacts often contribute to broader interagency discussions that examine the effectiveness of sanctions in achieving policy goals.

Country-Based and Country-Related U.S. Economic Sanctions Programs as of July 2019



Source: GAO presentation of Department of the Treasury and Department of State information. | GAO-20-145

The academic studies GAO reviewed suggest that several factors have contributed to more-effective sanctions. Studies examining factors that contribute to the effectiveness of sanctions in changing targeted countries' behavior provided evidence that sanctions have been more effective when (1) they were implemented through an international organization (e.g., the United Nations) or (2) the targeted countries had some existing dependency on, or relationship with, the United States, such as a trade or military relationship. In addition, studies examining factors that increased sanctions' economic impact provided evidence that the impact has generally been higher when the sanctions were more comprehensive in scope or severity, or—similar to the findings on effectiveness in changing behavior—were imposed through an international organization. Sanctions may also have unintended consequences for targeted countries, such as negative impacts on human rights or public health. In some studies, larger economic impacts were associated with more unintended consequences.